

# House File 623 - Introduced

HOUSE FILE 623  
BY COMMITTEE ON HUMAN  
RESOURCES

(SUCCESSOR TO HF 106)

## A BILL FOR

1 An Act relating to the treatment of medical assistance  
2 eligibility for individuals committed to certain public  
3 institutions, and including effective date provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1     Section 1. NEW SECTION.   **249A.38 Inmates of public**  
2 **institutions — suspension or termination of medical assistance.**

3     1. The following conditions shall apply to an individual who  
4 is an inmate of a public institution as defined in 42 C.F.R.  
5 § 435.1010, who is enrolled in the medical assistance program  
6 at the time of commitment to the public institution, and who  
7 is eligible for medical assistance by reason of disability or  
8 being sixty-five years of age or older:

9     a. The department shall suspend the individual's  
10 eligibility for up to the initial twelve months of the period  
11 of commitment. The department shall delay the suspension  
12 of eligibility for a period of up to the first thirty days  
13 of commitment if such delay is approved by the centers for  
14 Medicare and Medicaid services of the United States department  
15 of health and human services. If such delay is not approved,  
16 the department shall suspend eligibility during the entirety  
17 of the initial twelve months of the period of commitment.  
18 Claims submitted on behalf of the individual under the medical  
19 assistance program for covered services provided during the  
20 delay period shall only be reimbursed if federal financial  
21 participation is applicable to such claims.

22     b. The department shall terminate the individual's  
23 eligibility following the initial twelve months of the period  
24 of commitment.

25     2. a. A public institution shall provide the department and  
26 the social security administration with a monthly report of the  
27 individuals who are committed to the public institution and of  
28 the individuals who are discharged from the public institution.

29     b. The department shall provide a public institution with  
30 the forms necessary to be used by the individual in expediting  
31 restoration of the individual's medical assistance benefits  
32 upon discharge from the public institution.

33     3. This section applies to individuals as specified in  
34 subsection 1 on or after January 1, 2012.

35     4. The department may adopt rules pursuant to chapter 17A to

1 implement this section.

2     Sec. 2. IMPLEMENTATION.

3     1. The department of human services shall request any  
4 waiver or approval necessary from the centers for Medicare and  
5 Medicaid services of the United States department of health  
6 and human services to provide for the delay in suspension of  
7 eligibility as provided in this Act. The department shall  
8 implement the delay period to the maximum extent of the federal  
9 approval.

10    2. The department of human services shall do all of the  
11 following:

12    a. Develop a process for suspension of medical assistance  
13 eligibility for individuals as specified in this Act.

14    b. By July 1, 2013, submit recommendations to the general  
15 assembly for changes in state law and the redesign of the  
16 eligibility information management system in order to maximize  
17 and facilitate restoration of medical assistance benefits  
18 to inmates of public institutions upon discharge. The  
19 recommendations shall incorporate medical assistance program  
20 eligibility changes necessitated by the federal Patient  
21 Protection and Affordable Care Act, Pub. L. No. 111-148.

22    c. Incorporate provisions for suspension and termination  
23 of medical assistance eligibility for inmates of public  
24 institutions within any future redesign of the medical  
25 assistance program eligibility information management system.

26     Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
27 immediate importance, takes effect upon enactment.

28                                   EXPLANATION

29     This bill provides for the suspension of medical assistance  
30 (Medicaid) benefits of a person who is eligible for Medicaid  
31 by reason of disability or being 65 years of age or older,  
32 and who received Medicaid benefits immediately prior to the  
33 individual's commitment to a public institution. The duration  
34 of the suspension would be for the initial 12-month period of  
35 commitment, after which such benefits would be terminated.

1 The bill also provides that if federal approval is received,  
2 DHS would delay the suspension for up to the first 30 days of  
3 the period of commitment, and that payment of claims under  
4 the medical assistance program for the individual during the  
5 30-day delay would not be reimbursed if federal financial  
6 participation was not applicable to the claim.

7 The bill requires a public institution to provide the  
8 department of human services (DHS) and the social security  
9 administration with a monthly report of individuals who are  
10 committed to or who are discharged from the public institution.  
11 DHS is required to provide the public institution with the  
12 forms necessary to be used by the individual to expedite  
13 restoration of Medicaid benefits upon discharge.

14 The bill applies to individuals on or after January 1, 2012.

15 The bill directs DHS to request a federal waiver or approval  
16 for the 30-day delay in the suspension; directs DHS to develop  
17 a process for the suspension; directs DHS by July 1, 2013, to  
18 submit recommendations to the general assembly for changes  
19 in state law and the redesign of the eligibility information  
20 management system to maximize and facilitate restoration of  
21 Medicaid benefits for inmates of public institutions upon  
22 discharge, incorporating the eligibility changes under the  
23 federal Patient Protection and Affordable Care Act; and directs  
24 DHS to incorporate the suspension and termination provisions in  
25 any redesign of the eligibility information management system.

26 The bill takes effect upon enactment.